



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

APR 01 2011

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Addition of Budget Bill Item 3125-494, Capital Outlay, California Tahoe Conservancy

Extension of Liquidation Period—Habitat Conservation Fund

It is requested that Item 3125-494 be added to extend the liquidation period of a 2006 appropriation. (See Attachment I.) The 2006 Budget Act appropriated \$369,000 Habitat Conservation Fund to the California Tahoe Conservancy (Conservancy) for restoration projects in the Lake Tahoe basin. Of that amount, approximately \$72,000 has not been expended due to a change of project scope for a restoration plan for the Upper Truckee River. Therefore, it is necessary to extend the liquidation period until June 30, 2013 to allow the Conservancy to complete environmental documentation and site planning.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2011

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Patrick Wright, Executive Officer, California Tahoe Conservancy
Mr. David Gregorich, Administrative Officer, California Tahoe Conservancy

APR 01 2011

New Item

3125-494—Reappropriation, California Tahoe Conservancy. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended until June 30, 2013:

0262—Habitat Conservation Fund

(1) Item 3125-301-0262, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 3360-001-0465 and 3360-001-0382, and Addition of
Budget Bill Item 3360-001-0115, Support, Energy Resources Conservation and
Development Commission**

California Solar Initiative (Issue 100)

It is requested that Item 3360-001-0382 be increased by \$250,000 and that Item 3360-001-0465 be amended to reflect this change to provide a two-year extension for limited-term staffing to perform ongoing California Solar Initiative (CSI) workload. Position authority will be accommodated by filling existing vacancies.

The CSI required the California Energy Resources Conservation and Development Commission (Energy Commission) to initiate public proceedings to determine conditions when solar energy systems should be required for new buildings. The CSI also required the Energy Commission, in collaboration with other utility entities, to identify the criteria for solar energy installations to receive ratepayer subsidies.

The Energy Commission determines the conditions when photovoltaic systems should be mandatory under state building standards. Additionally, the Energy Commission would establish a program requiring builders to offer photovoltaic systems as an optional feature for all new subdivisions, and implement a program to allow builders to install higher levels of photovoltaics on other types of building projects (e.g., low-income housing, commercial, and industrial buildings).

**Fund Shift from Energy Resources Programs Account to the Air Pollution Control Fund
(Issue 101)**

It is requested that Item 3360-001-0465 be decreased by \$483,000 and that Item 3360-001-0115 be added in the amount of \$483,000, to shift funds from the Energy Resources Programs Account to the Air Pollution Control Fund to fund 4.0 staff and resources related to AB 32 activities.

These positions support Climate Action Team activities and provide technical assistance to the Air Board on a broad range of AB 32 energy-related sources of Green House Gas (GHG) emissions.

APR 12 2011

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The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jesse McGuinn, Principal Program Budget Analyst, at (916)324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Melissa Jones, Executive Director, California Energy Commission
Mr. Kyle Emigh, Budget Officer, California Energy Commission



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support, Department of Conservation

Plan of Financial Adjustment Change

It is requested that trailer bill language be enacted to enable the Department of Conservation (Conservation) to use the Oil, Gas, and Geothermal Administrative Fund as its main appropriation, or clearing account (see Attachment 1). Currently, Conservation uses the General Fund as its clearing account which has a \$4.5 million annual appropriation. Historically, Conservation used the Beverage Container Recycling Fund as its clearing account because of the available cash for payroll and reimbursement contracts. However, that fund moved to the Department of Resources, Recycling, and Recovery in January 2010. Enabling Conservation to use the Oil, Gas, and Geothermal Administrative Fund is consistent with the common practice recommended by the State Controller's Office that a department should use the fund with the largest appropriation as its clearing account.

Bond Funding Technical Corrections

It is requested that Item 3480-001-6031 be decreased by \$1,176,000, Item 3480-001-6051 be decreased by \$165,000, and that Item 3480-001-0001 be amended to reflect these changes to align bond appropriations with expected expenditures. It is also requested that Item 3480-492 be added to reappropriate Proposition 84 funds for the conservation of agricultural and open space land resources (see Attachment 2).

The effect of my requested action is reflected on the attachment.

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If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

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Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
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Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Bridget Luther, Director, Department of Conservation
Mr. Derek Chernow, Chief Deputy Director, Department of Conservation
Mr. Tom Gibbs, Deputy Director of Administration, Department of Conservation
Mr. Ken Lehn, Budget Officer, Department of Conservation

APR 12 2011

Attachment 1

Proposed Trailer Bill Language

Public Resources Code section 3401 is amended to read:

3401. The proceeds of charges levied, assessed, and collected pursuant to this article upon the properties of every person operating or owning an interest in the production of any well shall be used exclusively for the support and maintenance of the division of the department charged with the supervision of oil and gas operations.

APR 12 2011

Attachment 2

Proposed Budget Bill Language

Add New Item:

3480-492—Reappropriation, Department of Conservation. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2012:

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Item 3480-001-6051, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch.1, 2009-10 4th Ex. Sess.)



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Honorable Mark Leno, Chair
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Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Budget Bill Items 3500-404 and 3500-405, Support,
Department of Resources Recycling and Recovery**

Extension of Repayment Dates of Existing Loans

Issue 404—It is requested that Item 3500-404 be added to extend the loan repayment date from June 30, 2012 to June 30, 2014 for a \$39.0 million loan from the Glass Processing Fee Account to the General Fund. This loan was authorized in the 2003 Budget Act with a repayment date of June 30, 2009. The loan repayment date was subsequently extended to June 30, 2012 in the 2008 Budget Act. (See Attachment.)

Issue 405—It is requested that Item 3500-405 be added to extend the loan repayment from June 30, 2012 to June 30, 2014 for a \$27.0 million loan from the PET Processing Fee Account to the General Fund. This loan was authorized in the 2003 Budget Act with a repayment date of June 30, 2009. The loan repayment date was subsequently extended to June 30, 2012 in the 2008 Budget Act. (See Attachment.)

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jesse McGuinn, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

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APR 01 2011

-2-

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Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Tom Estes, Deputy Director, Administration, Finance & Information Technology Services
Division, Department of Resources Recycling and Recovery

Budget Bill Language

Add Item 3500-404

The amount loaned pursuant to Provision 1 of Item 3480-011-0269, Budget Act of 2003 (Ch. 157, Stats. 2003), as amended by Item 3480-401 of Chapters 268 and 269 of the Statutes of 2008, shall not be required to be repaid until June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (1) The fund or account from which the loan was made has a need for the moneys; or (2) there is no longer a need for the moneys in the fund or account that received the loan.

Add Item 3500-405

The amount loaned pursuant to Provision 1 of Item 3480-011-0278, Budget Act of 2003 (Ch. 157, Stats. 2003), as amended by Item 3480-401 of Chapters 268 and 269 of the Statutes of 2008, shall not be required to be repaid until June 30, 2014. The Director of Finance shall order the repayment of all or a portion of this loan if he or she determines that either of the following circumstances exists: (1) The fund or account from which the loan was made has a need for the moneys; or (2) there is no longer a need for the moneys in the fund or account that received the loan.



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Budget Bill Item 3540-494, Support and Local Assistance,
Department of Forestry and Fire Protection**

Proposition 40—Reappropriation

It is requested that Item 3540-494 be added to reappropriate Proposition 40 funds for hazardous fuels reduction and urban forestry projects (see Attachment 1). This funding was originally appropriated in the 2008 Budget Act. However, because of the bond freeze, the Department of Forestry and Fire Protection was unable to fully expend the funds.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen
MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2011

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Janet Barentson, Deputy Director, Management Services, Department of Forestry and Fire
Protection
Ms. Melissa Gamer, Budget Officer, Department of Forestry and Fire Protection

Attachment 1

Proposed Budget Bill Language

Add Item 3540-494

3540-494—Reappropriation, Department of Forestry and Fire Protection.

Notwithstanding any other provision of law, the balances of the appropriations provided in the following citations are reappropriated for the purposes provided for those appropriations and shall be available for encumbrance or expenditure until June 30, 2012:

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 3540-001-6029, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(2) Item 3540-101-6029, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Add Budget Bill Items 3540-301-0668 and 3540-496, Capital Outlay, Department of Forestry and Fire Protection

It is requested that Item 3540-301-0668 be added to provide \$500,000 for the following:

Add \$300,000 for acquisition of the Blanchard Forest Fire Station and adjacent property. The Department of Forestry and Fire Protection (CAL FIRE) has operated this ten-acre site since 1944 under a long-term lease, which is set to expire on December 31, 2012. The Lessor has indicated the lease will not be renewed or extended and has instead put the property up for sale. Acquisition of this site by CAL FIRE is needed to maintain the current level of emergency response services in this area. The failure to secure this site could result in increased response times and the need to expedite the planned replacement of the existing facility.

Add \$200,000 for acquisition of a purchase option for a new site for the relocation of the Shasta-Trinity Unit Headquarters. This facility was constructed in 1938 on state-owned property located outside the City of Redding but, because of urbanization over the years, is now located within the city's urban core, which has resulted in increased emergency response times. In addition, the current site is too small to replace the existing old and under-sized facilities.

For several years, CAL FIRE has been searching for a new site and recently located a partially-improved 6.63-acre site that would appear to be well-suited for the relocation of the Shasta-Trinity Unit Headquarters. While the city has expressed a strong desire to acquire the existing CAL FIRE site, and there is existing legislation authorizing the sale, exchange, lease, or any combination thereof for the relocation of this facility, the acquisition of a purchase option for a new site is needed while the necessary project evaluations are completed and future project funding is secured.

APR 01 2011

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It is further requested that the following provisional language be added to clarify that the acquisition funds may be used to acquire certain less than fee property rights:

1. Notwithstanding any other provision of law, the funds appropriated in this item may be used to acquire less than fee interests in real property, including a purchase option or a lease with purchase option, subject to State Public Works Board approval.

It is also requested the Item 3540-496 be added to revert the unencumbered balance of the funding for the following projects:

Item 3540-301-0001, Budget Act 2006, as reappropriated by Item 3540-491, Budget Acts of 2007, 2008, and 2009, and partially reverted by Item 3540-496, Budget Act of 2008

1. Statewide: Construct Communications Facilities—Working Drawings and Construction

Item 3540-301-0001, Budget Act of 2007, as reappropriated by Item 3540-491, Budget Act of 2009, and Item 3540-493, Budget Act of 2010

2. Batterson Forest Fire Station: Relocate Facility—Construction

This reversion is needed to realize \$5,264,450 in General Fund savings assumed in the Governor's Budget, plus \$101,135 in additional General Fund savings recently identified, and would expedite the General Fund benefit. These savings are a result of construction costs being less than the state's estimates.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Brian Dewey, Principal Program Budget Analyst, at (916) 445-9694.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

cc: On following page

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Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Ken Pimlott, Acting Director, Department of Forestry and Fire Protection
Mr. Curt Karlin, Chief Technical Services, Department of Forestry and Fire Protection
Ms. Melissa Gamer, Budget Officer, Department of Forestry and Fire Protection



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Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support, Department of Fish and Game

Office of Oil Spill Prevention and Response

It is requested that Item 3600-001-0320 be increased by \$2.6 million and that Item 3600-001-0001 be amended to reflect this change to correct a miscalculation in the development of the Department of Fish and Game's (DFG) budget. The fund condition statement for the Oil Spill Prevention and Administration Fund inadvertently excluded a repayment of a prior year cash flow loan. Consequently, the fund balance presented was inaccurate. This request will restore \$2.6 million in Oil Spill Prevention and Administration Fund expenditure authority that was reduced as a result of the incorrect fund balance.

Big Game Management Account

It is requested that Item 3600-001-0200 be increased by \$1,490,000, and that Item 3600-001-0001 be amended to reflect this change to implement Chapter 408, Statutes of 2010 (SB 1058). SB 1058 created the Big Game Management Account within the Fish and Game Preservation Fund in an effort to consolidate three existing subaccounts: Deer, Bighorn Sheep, and Wild Pig. Pursuant to the bill, all revenues deposited into the existing subaccounts are to be deposited into the Big Game Management Account beginning January 1, 2011. Additionally, SB 1058 redirected revenues from the sale of bear, antelope, and elk tags from the non-dedicated Fish and Game Preservation Fund into the Big Game Management Account. The DFG will use the requested funds in the Big Game Management Account to manage and conserve big game species.

Various Technical Corrections

It is requested that Item 3600-001-6051 be decreased by \$17,025,000, and that Item 3600-001-0001 be amended to reflect this change to align bond appropriations with expected expenditures. It is also requested that Item 3600-492 be added to reappropriate Proposition 84 and Salton Sea Restoration Fund appropriations for Salton Sea restoration projects (see Attachment 1).

APR 12 2011

-2-

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

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Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Helen Carriker, Assistant Deputy Director, Department of Fish and Game
Mr. Gabe Tiffany, Budget Officer, Department of Fish and Game

Attachment 1

Proposed Budget Bill Language

Add New Item:

3600-492—Reappropriation, Department of Fish and Game. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2012:

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Item 3600-002-6051, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), as reappropriated by Item 3600-490, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(2) Item 3600-002-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

8018—Salton Sea Restoration Fund

(1) Item 3600-001-8018, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), as reappropriated by Item 3600-490, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(2) Item 3600-001-8018, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)



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Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Budget Bill Items 3640-492 and 3640-493, Capital Outlay,
Wildlife Conservation Board**

Extension of Liquidation Period—Proposition 12

It is requested that Item 3640-493 be added to extend the liquidation period of Proposition 12 funds. (See Attachment I.) The 2000 Budget Act appropriated approximately \$14.6 million to the San Joaquin River Conservancy (Conservancy) through the Wildlife Conservation Board (WCB) for projects and acquisitions related to the San Joaquin River Parkway Master Plan. The funds were reappropriated in Budget Acts of 2003 and 2006. To date, approximately \$145,000 of the funds have not been liquidated as a result of the December 2008 bond freeze. It is necessary to extend the liquidation period to allow the Conservancy to continue to implement the San Joaquin River Parkway Master Plan.

Extension of Liquidation Period—Habitat Conservation Fund and Proposition 50

It is requested that Item 3640-492 be added to extend the liquidation periods of the Habitat Conservation Fund and the associated Proposition 50 transfer. (See Attachment II.) The 2004 Budget Act transferred \$21.0 million from Proposition 50 funds to the Habitat Conservation Fund (HCF) and appropriated the \$21.0 million HCF to the WCB to implement the Wildlife Conservation Act. The 2009 Budget Act extended the liquidation periods of these funds as a result of the December 2008 bond freeze. It is necessary to further extend the liquidation periods of these funds until June 30, 2013 because of delays caused by permitting requirements that only allow restoration work to be completed in the summer.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

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Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. John Donnelly, Executive Director, Wildlife Conservation Board
Ms. Roxanne Woodward, Budget Officer, Wildlife Conservation Board
Ms. Marcy Brown, Manager, Department of Parks and Recreation

New Item

3640-493—Reappropriation, Wildlife Conservation Board. Notwithstanding any other provision by law, the period to liquidate encumbrances of the following citations are extended until June 30, 2013.

0005 - Payable from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund

(1) Item 3640-302-0005, Budget Act of 2000 (Ch. 52, Stats. 2000, as reappropriated by Item 3640-490, Budget Act of 2003 (Ch. 157, Stats. 2003) and as reappropriated by Item 3640-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)

(1) 80.10.603 - San Joaquin River Conservancy—Projects and Acquisitions

New Item

3640-492—Reappropriation, Wildlife Conservation Board. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations are extended to June 30, 2013.

0262 - Habitat Conservation Fund

- (1) Item 3640-301-0262, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by Item 3640-492, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)

- (1) 80.10 - Wildlife Conservation Board Projects (Unscheduled)

6031 - Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Item 3640-311-6031, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by Item 3640-492, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)



**DEPARTMENT OF
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OFFICE OF THE DIRECTOR

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APR 01 2011

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Items 3680-101-0516 and 3680-301-0516, Local Assistance and Capital Outlay, Department of Boating and Waterways

It is requested that Item 3680-301-0516 be increased by \$3,250,000 to reflect the state's share of the construction phase of the Channel Islands Boating and Instruction Safety Center (BISC) project (see related issue 3680-101-0516 below). The Channel Islands BISC is a continuing project that has been stalled for several years because of litigation that has recently been resolved. The project is a joint venture between The Department of Boating and Waterways (Boating) and the County of Ventura. Construction costs are estimated at \$6.0 million, with Boating contributing up to \$3,250,000 and the county contributing the balance. The county funds include \$1.8 million in donations that will expire after 2011. If the project is delayed and these donations are no longer available, it is unlikely that the county would be able to fund its share of the project.

Furthermore, it is also requested that Item 3680-101-0516 be decreased by \$3,250,000 to accommodate the corresponding increase in capital outlay funding for the Channel Islands BISC project. These local assistance funds were included in the Governor's Budget for planning, California Environmental Quality Act funding, and reassessed loan and grant amounts. This request will redirect these local assistance funds for the completion of the Channel Islands BISC project and can be deferred without significant programmatic impacts.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Brian Dewey, Principal Program Budget Analyst, at (916) 445-9694.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2011

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzosa, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Lucia Becerra, Acting Director, Department of Boating and Waterways
Mr. Steve Watanabe, Boating Facilities Division Chief, Department of Boating and Waterways
Ms. Kathy Emery, Budget Officer, Department of Boating and Waterways



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Item 3720-001-0001 and Addition of Item 3720-001-0565,
Support, California Coastal Commission**

Coastal Data Management System Update

It is requested that Item 3720-001-0565 be added in the amount of \$1,136,000 and that Item 3720-001-0001 be amended to reflect this change. (See Attachment I.)

The California Coastal Commission's (Commission) existing permit tracking system was developed in the mid-1990's. The current database has significant technological limitations, including the inability to interface with other information technology systems. Furthermore, records from regulatory actions taken between 1973 and 1995 are not captured in the existing system and are tracked via paper records.

This request will enable the Commission to update its existing information technology systems to better track and manage coastal development permits, Local Coastal Plans, and regulatory actions for planning, enforcement, and management purposes.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2011

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Peter Douglas, Executive Director, California Coastal Commission
Ms. Susan Hansch, Chief Deputy, California Coastal Commission
Ms. Pamela Wu, Chief Fiscal Services, California Coastal Commission

APR 01 2011

New Item

3720-001-0565—For support of California Coastal Commission,
for payment to Item 3720-001-0001, payable from the State
Coastal Conservancy Fund..... 1,136,000

Provisions:

1. Notwithstanding any other provision of law, the funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2013.



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support and Capital Outlay, State Coastal Conservancy

Fund Shift to Maintain Baseline Budget

It is requested that Item 3760-001-6051 be increased by \$1.6 million, Item 3760-001-6076 be increased by \$841,000, and Item 3760-001-0565 be decreased by \$2,441,000 to reflect a one-time fund shift from the State Coastal Conservancy Fund (Conservancy Fund) to Proposition 84 funds.

In an effort to maximize the amount of bond funds allocated to projects, the State Coastal Conservancy (Conservancy) has used the Conservancy Fund in lieu of the bond funds to administer its bond funded projects. As a result of a declining fund balance, the Conservancy Fund is unable to continue to provide the existing level of support funding.

Under this one-time fund shift, the total Conservancy program delivery funding level will remain under the 5 percent allowable level, and enable the Conservancy to preserve the Conservancy Fund and continue to implement its Proposition 84 projects.

Public Access Program

It is requested that Item 3760-301-0565 be increased by \$300,000 for the Conservancy's public access program. This request will provide additional assistance to local partners to manage several public access ways along the coast. Such access ways include paths and stairways that provide access to the beach and other coastal locations, as well as portions of the California Coastal Trail.

The effect of my requested action is reflected on the attachment.

-2-

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Sam Schuchat, Executive Director, State Coastal Conservancy
Ms. Mary Small, Deputy Executive Officer, State Coastal Conservancy
Ms. Regine Serrano, Chief of Administration Services, State Coastal Conservancy
Ms. Marcy Brown, Manager, Department of Parks and Recreation



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Department of Parks and Recreation**

Office of Historic Preservation Database—Extension of Liquidation Period

It is requested that Item 3790-493 be added to extend the liquidation period of up to \$163,000 General Fund for Parks' Office of Historic Preservation (OHP) Database Rehost Project. (See Attachment I.) This information technology project was initiated in 2008 to replace the legacy OHP database. To date, all project costs have been absorbed within Parks' existing budget. Due to delays caused by the contractor, it is necessary to extend the liquidation period of the requested funds to allow Parks to complete the upgrade.

Local Assistance Funding—Proposition 40

It is requested that Item 3790-103-6029 be added in the amount of \$108,250,000 Proposition 40 funds for local assistance grants. (See Attachment II.) Proposition 40 provides funding for a specified list of grant programs and provides a total of eight years (until June 30, 2011) for grantees to complete their projects. Proposition 40 also states that by July 1, 2011, any unspent grants shall revert to the fund. As a result of the December 2008 bond freeze, the grantees will not be able to fully complete their projects by June 30, 2011. This request will provide a new appropriation to allow the grantees to complete their projects, as intended by Proposition 40.

California State Railroad Museum—Reappropriation

It is requested that Item 3790-490 be amended to reappropriate \$11.6 million, including \$6.6 million Proposition 40 funds and \$5.0 million in reimbursements. (See Attachment III.) Chapter 689, Statutes of 2008 (AB 2945), provides \$11.6 million for the development of a proposed railroad technology museum. The funding will allow the California State Railroad Museum Foundation (Foundation) to acquire two former industrial buildings (known as the Boiler Shop) at the Downtown Sacramento Railyards.

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-2-

After the proposed acquisition, the Foundation would renovate the buildings to house the proposed Railroad Technology Museum, consistent with the master plan of the California State Railroad Museum. As a result of a change of ownership of the industrial buildings, the Foundation was unable to complete the acquisition as scheduled. However, Parks expects the acquisition to be completed by June 30, 2011, and this extension request will ensure the funds are available to complete the acquisition in case of further delays.

This request also includes a technical correction to Item 3790-490.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Ruth Coleman, Director, Department of Parks and Recreation
Mr. Michael Harris, Deputy Director, Policy, Department of Parks and Recreation
Mr. Manuel Lopez, Deputy Director, Administration Services, Department of Parks and Recreation
Ms. Elsie Brenneman, Budget Officer, Department of Parks and Recreation
Ms. Marcy Brown, Manager, Department of Parks and Recreation

APR 12 2011

Attachment I

New Item

3790-493—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provision of law, the period to liquidate encumbrances of the amount specified in the following citation is extended to June 30, 2012.

0001— General Fund

- (1) Up to \$163,000 in Item 3790-001-0001, Budget Act of 2008 (Ch. 268 and 269, Stats. 2008), for support of the Department of Parks and Recreation.

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Attachment II-

New Item

3790-103-6029—For local assistance, Department of Parks and Recreation, payable from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Fund, to be available for expenditure until June 30, 2012.....108,250,000

Schedule:

(1) 80.25-Recreational Grants.....108,250,000
 (a) Per Capita.....(75,064,000)
 (b) Roberti-Z'berg Harris Grants.....(31,854,000)
 (c) Urban Park Grants.....(157,000)
 (d) Murray-Hayden Competitive Grants.....(1,175,000)

Provisions:

1. The amounts displayed in this item represent the balance as of December 31, 2010. The Director of Finance may adjust these amounts to account for expenditures made prior to July 1, 2011.
2. Funds available in Schedule (1)(a) shall be allocated consistent with the balance available at time of reversion of Schedule (1)(a) of Item 3790-101-6029, Budget Act of 2003 (Ch. 157, Stats. 2003), and as allocated pursuant to the provisions of the Per Capita Grants at the time of the original appropriation.
3. Funds available in Schedule (1)(b) shall be allocated consistent with the balance available at time of reversion of Schedule (1)(b) of Item 3790-101-6029, Budget Act of 2003 (Ch. 157, Stats. 2003), and as allocated pursuant to the provisions of the Roberti-Z'berg Harris Grants at the time of the original appropriation.
4. Funds available in Schedule (1)(c) shall be allocated consistent with the balance available at time of reversion of Schedule (1)(c) of Item 3790-101-6029, Budget Act of 2003 (Ch. 157, Stats. 2003), and as allocated pursuant to the provisions of the Urban Park Grants at the time of the original appropriation.
5. Funds available in Schedule (1)(d) shall be allocated consistent with the balance available at time of reversion of Schedule (1)(d) of Item 3790-101-6029, Budget Act of 2003 (Ch. 157, Stats. 2003), and as allocated pursuant to the provisions of the Murray-Hayden Competitive Grants at the time of the original appropriation.

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Attachment III

3790-490--Reappropriation, Department of Parks and Recreation. The amounts specified *balances* in the appropriations provided for in the following citations are reappropriated for the purposes and subject to the provisions, unless otherwise specified, provided for in those appropriations and shall be available for encumbrance or expenditure until the date specified:

6029-California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(1) Item 3790-101-6029, as added by Chapter 689, Statutes of 2008, SEC. 4., (1)

Railroad Technology Museum Grant-Rehabilitation and Facilities Plan, (2)

Reimbursement: Railroad Technology Museum-Rehabilitation and Facilities Plan Until June 30, 2012

6051-- Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Item 3790-002-6051, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as amended by Section 2 of Chapter 1, Third Extraordinary Session, Statutes of 2008 for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2013.

(2) Item 3790-002-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) for support of the Department of Parks and Recreation shall be available for encumbrance or expenditure until June 30, 2013.



**DEPARTMENT OF
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APR 01 2011

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Item 3810-496 and Amendment to Budget Bill Item 3810-490, Capital Outlay,
Santa Monica Mountains Conservancy**

Technical Change—Proposition 50

It is requested that Item 3810-496 be added to revert \$105,297 Proposition 50 funds. (See Attachment I.) Proposition 50 allocated \$18.0 million to the Santa Monica Mountains Conservancy (Conservancy) for projects related to the Los Angeles River watershed. The Governor's Budget proposed to reappropriate the balance of Proposition 50 funds from a 2006 appropriation. However, previous Budget Acts inadvertently overappropriated the Proposition 50 bond allocation to the Conservancy; therefore, it is necessary to revert the requested amount.

It is requested that Item 3810-490 be amended to include language to conform to the reversion of \$105,297 specified in Item 3810-496. (See Attachment II.)

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call

Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Joseph Edmiston, Executive Director, Santa Monica Mountains Conservancy
Ms. Rorie Skei, Chief Deputy Director, Santa Monica Mountains Conservancy
Ms. Marcy Brown, Manager, Department of Parks and Recreation

New Item

Item 3810-496—Reversion, Santa Monica Mountains Conservancy. As of June 30, 2011, the amount in the appropriation provided in the following citations shall revert to the balance in the fund from which the appropriations were made:

6031-Water Security, Clean Drinking Water, Coastal and Beach Protection fund of 2002

(1) \$105,297 from Item 3810-301-6031, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)

50.20 Capital Outlay and Local Assistance

New Item

Item 3810-490—Reappropriation, Santa Monica Mountains Conservancy. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations are extended to June 30, 2012:

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

- (1) Item 3810-301-0005, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3810-491, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)

(1) 50.20.001-Capital Outlay
Acquisitions

0941—Santa Monica Mountains Conservancy Fund

- (1) Item 3810-301-0941, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)

(1) 50.20-Capital Outlay and Local Assistance

6031—Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Item 3810-301-6031, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3810-491, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)

(1) 50.20.001-Capital Outlay
Acquisitions

- (2) Item 3810-301-6031, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) *except for the amount specified in Item 3810-496.*

(1) 50.20-Capital Outlay and Local Assistance



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Addition of Budget Bill Items 3825-301-6031 and 3825-490, Capital Outlay, San Gabriel & Lower Los Angeles Rivers and Mountains Conservancy

Capital Outlay and Grants—Proposition 50

It is requested that Item 3825-301-6031 be added in the amount of \$705,000 Proposition 50 funds to enable the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (Conservancy) to fund additional projects. (See Attachment I.)

Proposition 50 allocated \$18.0 million to the Conservancy for capital outlay and local assistance projects. All of the Proposition 50 funds have been appropriated to the Conservancy. However, \$705,000 of unexpended funds have reverted. The Conservancy has identified specific projects, such as the Putente Creek Nature Education Center and the San Gabriel River Trail Enhancement Development Project for the requested amount.

Reappropriation—Proposition 50

It is requested that Item 3825-490 be added to reappropriate Proposition 50 funds from a 2006 appropriation. (See Attachment II.) The 2006 Budget Act appropriated \$2.8 million to the Conservancy for capital outlay and local assistance projects consistent with the purpose of Proposition 50. Of that amount, approximately \$650,000 has not been expended due to delays of securing coastal development permits and a loss of project consultants. Therefore, it is necessary to reappropriate the funds to allow the Conservancy to complete the projects.

The effect of my requested action is reflected on the attachment.

APR 01 2011

-2-

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Belinda Faustinos, Executive Officer, San Gabriel/Lower L.A. Rivers and Mountains Conservancy
Ms. Marcy Brown, Manager, Department of Parks and Recreation

New Item

3825-301-6031—For capital outlay, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, payable from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002..... 705,000

Provisions:

- (1) The amount appropriated in this item is available for expenditure for capital outlay or local assistance grants until June 30, 2014. The term capital outlay as used in conjunction with this appropriation means the acquisition, design or construction of improvements on land owned, or leased, by the state.

New Item

3825-490—Reappropriation-San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy. The balances of the appropriations provided for in the following citations are reappropriated for the purposes provided for those appropriations, and shall be available for encumbrance or expenditure until June 30, 2014
6031-Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

(1) Item 3825-301-6031, Budget Act of 2006 (Chs 47 and 48, Stats. 2006)

(1) 30.10 Capital Outlay and Grants

(2) Reimbursements



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Item 3835-490, Capital Outlay, Baldwin Hills Conservancy

Reappropriation—Propositions 40 and 84

It is requested that Item 3835-490 be amended to reappropriate Proposition 40 funds and Proposition 84 funds for the Baldwin Hills Conservancy's (Conservancy) capital outlay projects. (See Attachment I.) Delays in state bond sales have limited the Conservancy's ability to solicit and award funding for projects. The proposed reappropriation will allow approximately \$6.3 million of bond funds to be used to acquire priority acquisitions consistent with the Baldwin Hills Park Master Plan.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources
Agency
Mr. David McNeil, Executive Officer, Baldwin Hills Conservancy
Ms. Elsie Brenneman, Budget Officer, Department of Parks and Recreation
Ms. Marcy Brown, Manager, Department of Parks and Recreation

3835-490—Reappropriation, Baldwin Hills Conservancy. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2014.

6029-California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

(0.5) Item 3835-301-6029, Budget Act of 2004 (Ch. 208, Stats. 2004), as reappropriated by Item 3835-490, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)

(1) 20-Capital Outlay Acquisition and Improvement Program

6051-Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund

(1) Item 3835-301-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008).

(1) 20-Capital Outlay Acquisition and Improvement Program



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OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

APR 01 2011

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Budget Bill Items 3850-495 and 3850-496, Support and Capital Outlay,
Coachella Valley Mountains Conservancy**

Reversions—Proposition 84

It is requested that Items 3850-495 and 3850-496 be added to revert approximately \$40,000 Proposition 84 funds from prior Budget Act appropriations. (See Attachments I and II.)

Proposition 84 allocated \$36.0 million to the Coachella Valley Mountains Conservancy (Conservancy). Previous Budget Acts inadvertently over appropriated the Conservancy's Proposition 84 allocation. This request will make the necessary technical adjustments to the Conservancy's bond allocation to ensure it is not oversubscribed.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

APR 01 2011

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Felipe Fuentes, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Joe Simitian, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Gordon, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources
Agency
Mr. Bill Havert, Executive Officer, Coachella Valley Mountains Conservancy
Ms. Elsie Brenneman, Budget Officer, Department of Parks and Recreation
Ms. Marcy Brown, Manager, Department of Parks and Recreation

APR 01 2011

New Item

3850-495—Reversion, Coachella Valley Mountains Conservancy. As of June 30, 2011, the balance of the appropriation provided in the following citation shall revert to the fund from which the appropriation was made:

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Up to \$19,000 in Item 3850-001-6051, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)

APR 01 2011

New Item

3850-496—Reversion, Coachella Valley Mountains Conservancy. As of June 30, 2011, the balance of the appropriation provided in the following citation shall revert to the fund from which the appropriation was made:

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Up to \$21,000 in Item 3850-301-6051, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)



**DEPARTMENT OF
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APR 19 2011

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support, Local Assistance, and Capital Outlay, Department of Water Resources

Salton Sea Restoration

It is requested that Item 3860-001-0001 be amended by increasing reimbursements by \$4.2 million. The Department of Water Resources (DWR) is under contract with the Department of Fish and Game and the Wildlife Conservation Board to support the state's obligations for Salton Sea restoration, mitigation, and monitoring activities as a result of the Colorado River Quantification Settlement Agreement. This proposal will allow DWR to continue the Salton Sea Restoration Program through June 30, 2013. (See Attachment A.)

Davis Dolwig Cost Allocation Study

It is requested that Item 3860-011-0516 be added in the amount of \$34,000 to provide funding for a study to examine DWR's cost allocation methodology for determining the recreational benefits at State Water Project facilities. A recent independent study identified deficiencies in DWR's cost allocation methodology in calculating water supply and recreational benefits. A new study to address these deficiencies is estimated to cost \$600,000. The state's share of the cost, under the current methodology, is \$34,000. It is also requested that Budget Bill language be added to specify the scope of the study and establish an early 2012 deadline for completion of the report. (See Attachment B.)

State Water Project – Fish and Wildlife Enhancements and Recreation

It is requested that Item 3860-301-6051 be added in the amount of \$757,000 to perform seismic safety upgrades to the foundation at Perris Dam and complete repairs on the Santa Ana Valley Pipeline, which transports water to Lake Perris. This request will provide 5.7 percent of the total expected costs for the project in fiscal year 2011-12, consistent with the provisions of the Davis Dolwig Act. The remaining share would be charged to State Water Project (SWP) contractors. The total cost of all repairs at Lake Perris is projected to be approximately \$300.0 million. Under the current cost allocation methodology, the SWP cost share will be approximately \$280.0 million. Budget Bill language will allow for an adjustment of the cost sharing formula based on the new cost allocation study to be completed in 2012. (See Attachment C.)

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**Reappropriations, Reversions, and Technical Adjustments: Non-Capital Outlay
(See Attachment D.)**

Technical Adjustments

It is requested that Item 3860-001-0744 be decreased by \$195,000, Item 3860-001-6051 be decreased by \$14.0 million and that Item 3860-001-0001 be amended to reflect these changes. It is also requested that Item 3860-101-6051 be decreased by \$2,106,000. State operations funding is no longer needed for the 1986 Water Conservation and Water Quality Bond Fund, and Proposition 84 funding included in the 2010 Budget Act was for one year only and should be removed for the 2011 Budget Act.

Reappropriations

It is requested that Item 3860-490 be added to reappropriate funding for the following items:

- 3860-101-6005, Budget Act of 2010
- 3860-101-6007, Budget Act of 2009
- 3860-101-6010, Budget Act of 2010
- 3860-001-6026, Budget Act of 2007
- 3860-001-6031, Budget Act of 2007
- 3860-101-6031, Budget Act of 2009
- 3860-001-6031, Budget Act of 2010
- 3860-101-6051, Budget Act of 2008
- 3860-101-6051, Budget Act of 2010
- 3860-001-6052, Budget Act of 2007
- 3860-001-6052, Budget Act of 2008
- 3860-101-6052, Budget Act of 2008
- 3860-001-6052, Budget Act of 2010
- 3860-101-6052, Budget Act of 2010

These items provide funding for projects that have been delayed for a variety of reasons, including federal and local funding issues, design changes, permitting requirements, and the bond freeze. The request will provide additional time for the projects to be completed.

Extension of Liquidation

It is requested that Item 3860-496 be added to extend the liquidation period for projects previously encumbered under the following appropriations:

- Item 3860-001-0001, Budget Act of 2008
- Item 3860-101-6005, Budget Act of 2000
- Item 3860-101-6015, Budget Act of 2008
- Item 3860-101-6023, Budget Act of 2004
- Item 3860-101-6025, Budget Act of 2004
- Item 3860-101-6025, Budget Act of 2006
- Item 3860-101-6027, Budget Act of 2002
- Item 3860-101-6027, Budget Act of 2006
- Item 3860-101-6031, Budget Act of 2004
- Item 3860-001-6031, Budget Act of 2008
- Item 3860-001-6051, Budget Act of 2008

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A number of projects cannot be completed within the timeframes allowed by their original appropriations. These programs have been delayed for a variety of reasons, including contracting delays, delays in closeout activities, and timing issues related to the bond freeze. This request will provide additional time for these projects to be completed.

Reversion

It is requested that Item 3860-495 be added to revert \$6,777,476 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Proposition 50) appropriated in the 2007 and 2009 Budget Acts. This action will remove funding that is no longer necessary.

Reappropriations and Extension of Liquidation Requests: Capital Outlay (See Attachment D.)

Reappropriations

It is requested that Item 3860-492 be added to reappropriate funding for the following projects:

- West Sacramento Early Implementation Project – Reappropriation is needed to provide the state's cost-share for levee improvement work performed by the West Sacramento Area Flood Control Agency. Information collected on subsurface conditions and site constraints has forced the local agency to alter its work program and has delayed the work schedule.
- Lower Cache Creek, Yolo County, Woodland Area Project – Reappropriation is needed to continue a feasibility study to examine viable alternatives to reduce flood risk. The project has been delayed while federal and local cost sharing agreements have been negotiated and finalized.
- Merced County Streams Project Bear Creek Unit – Reappropriation is needed to develop the Merced Streams Group General Reevaluation Report in coordination with the United States Army Corps of Engineers (Corps). The project was delayed due to the lack of dedicated federal and local funds. Local partners and the Corps have now identified available funds for the project to move forward.
- Systemwide Levee Evaluations and Repairs – Reappropriation is needed to continue to evaluate and address deficiencies in the state's levees, weirs, bypasses, and facilities of the State Plan of Flood Control. Overall schedules have been delayed due to state cash-flow issues, project interruptions, protracted permitting requirements, and project planning issues with Corps.
- Sutter Bypass East Water Control Structures – Reappropriation is needed to complete the replacement of Weir 2 and Willow Slough Weir structures. The project was delayed when the plans had to be changed to address foundation stability and seepage issues.
- Feather River Early Implementation Project – Reappropriation is needed to continue rehabilitation of the west levee of the Feather River. The project was delayed to ensure compliance with the Central Valley Flood Protection Plan.

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Extension of Liquidation

It is requested that Item 3860-493 be added to extend the liquidation for the following project:

- Upper Sacramento River Area Levee Reconstruction Project – Construction of the project is complete. However, costs remain for closeout procedures and outstanding invoices. An extension of liquidation is necessary to fulfill contractual obligations to federal and local partners.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Bob Huff, Vice Chair, Senate Budget and Fiscal Review Committee
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Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. John Laird, Secretary, Natural Resources Agency
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Mark Cowin, Director, Department of Water Resources
Ms. Perla Netto-Brown, Controller, Department of Water Resources
Mr. Mike Myatt, Budget Officer, Department of Water Resources
Ms. Marcy Brown, Manager, Department of Parks and Recreation

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Attachment A

New Provision to Item 3860-001-0001

3. Of the funds appropriated in this item, \$4,200,000 in reimbursement authority for Salton Sea Restoration activities shall be available until June 30, 2013.

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Attachment B

NEW ITEM

3860-011-0516—For transfer by the Controller from the
Harbors and Watercraft Revolving Fund to the California
Water Resources Development Bond
Fund.....(34,000)

Provisions:

1. The Department of Water Resources shall allocate \$600,000 for a study to address the identified deficiencies in the methodology for calculating the share of the State Water Project expenditures that is attributable to public recreation or fish and wildlife enhancement. The independent review shall analyze and evaluate the total and marginal benefits received by water contractors and the total and marginal benefits associated with recreation and enhancement of fish and wildlife. Included in this analysis will be measuring the parties willingness to pay. The contractor shall work in periodic consultation with the Legislative Analyst's Office and submit this analysis to the budget committees, and relevant policy committees of both houses of the Legislature, no later than January 30, 2012.
2. The funds appropriated in this item represent the recreation and fish and wildlife enhancement share of the costs of the requested study. The remaining share will come from the existing State Water Project contracting expenditure authority.

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Attachment C

NEW ITEM

3860-301-6051—For capital outlay, Department of Water Resources, payable from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006..... 757,000

Schedule:

(1) 20.95.010 – State Water Project Facilities Fish & Wildlife Enhancement & Recreation..... 757,000

Provisions:

1. The funds appropriated in this item shall be expended for recreation and fish and wildlife enhancement at the identified State Water Project facilities.
2. The Department of Water Resources is currently studying the methodology that determines the share of State Water Project expenditures attributable to public recreation or fish and wildlife enhancement. The cost share attributable to the State Water Project for this item may be adjusted in future years should the current allocation formula be modified.

Attachment D**Reappropriations, Liquidation Extensions, and Technical Adjustments**

3860-490 – Reappropriation, Department of Water Resources. The balance of the appropriations provided for in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2013:

6005 – Flood Protection Corridor Subaccount

- (1) Item 3860-101-6005, Budget Act of 2010 (Ch. 712, Stats. 2010), for the Flood Protection Corridor Program

6007 – Urban Stream Restoration Subaccount

- (1) Item 3860-101-6007, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Urban Streams Restoration Program
 - (1) Continuing Formulation of the California Water Plan
 - (2) Reimbursements

6010 – Yuba Feather Flood Protection Subaccount

- (1) Item 3860-101-6010, Budget Act of 2010 (Ch. 712, Stats. 2010), for the Yuba Feather Flood Protection Program

6026 – Bay-Delta Multipurpose Water Management Subaccount

- (1) Item 3860-001-6026, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by Item 3860-492, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the CALFED Conveyance Program

6031 – Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Item 3860-001-6031, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by Item 3860-492, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for Franks Tract
- (2) Item 3860-101-6031, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Safe Drinking Water Program
- (3) Item 3860-001-6031, Budget Act of 2010 (Ch. 712, Stats. 2010), for the Water Use Efficiency Program
- (4) Item 3860-001-6031, Budget Act of 2010 (Ch. 712, Stats. 2010), for Water Supply Reliability

6051 – Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

- (1) Item 3860-101-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) as reappropriated by 3860-492, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Flood Control Subventions and Flood Protection Corridor Programs
- (2) Item 3860-101-6051, Budget Act of 2010 (Ch. 712, Stats. 2010), for Agricultural Drainage

6052 – Disaster Preparedness and Flood Prevention Bond Fund of 2006

- (1) Item 3860-001-6052, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by Item 3860-492, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for Sediment Removal
- (2) Item 3860-001-6052, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) as reappropriated by 3860-492, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Sycamore Creek Diversion Channel Erosion Study
- (3) Item 3860-101-6052, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008) as reappropriated by 3860-492, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Floodway Corridor Program
- (4) Item 3860-001-6052, Budget Act of 2010 (Ch. 712, Stats. 2010), for the Conservation Strategy, Central Valley Flood Management Planning Program, Delta Knowledge Improvement Program, and Delta Subsidence and Carbon Sequestration
- (5) Item 3860-101-6052, Budget Act of 2010 (Ch. 712, Stats. 2010), for the Central Valley Nonstructural Grant Program, Early Implementation Program, Dutch Slough, Delta Subsidence and Carbon Sequestration, and North Delta Flood Control and Ecosystem Restoration

3860-491 – Reappropriation, Department of Water Resources. Notwithstanding any other provision of law, the period to liquidate encumbrances of the following citations is extended to June 30, 2013:

0001 – General Fund

- (1) Item 3860-001-0001, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), for the Floodplain Management Program

6005 – Flood Protection Corridor Subaccount

- (1) Item 3860-101-6005, Budget Act of 2000 (Ch. 52, Stats. 2000) as reappropriated by 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) as reappropriated by 3860-491, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Flood Protection Corridor Program

6015 – River Protection Subaccount

- (1) Item 3860-101-6015, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), for the River Protection Program

6023 – Water Conservation Account

- (1) Item 3860-101-6023, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by 3860-491, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Infrastructure Rehabilitation Program

6025 – Conjunctive Use Subaccount

- (1) Item 3860-101-6025, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by 3860-491, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 171 and 172, 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Groundwater Storage Program

- (2) Item 3860-101-6025, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Groundwater Storage Program

6027 – Interim Water Supply and Water Quality Infrastructure and Management Subaccount

- (1) Item 3860-101-6027, Budget Act of 2002 (Ch. 379, Stats. 2002) as reappropriated by 3860-492, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005) as reappropriated by 3860-491, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Interim Reliable Water Supply Program
- (2) Item 3860-101-6027, Budget Act of 2006 (Ch. 47 and 48, Stats. 2006) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Interim Reliable Water Supply Program

6031 – Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

- (1) Item 3860-101-6031, Budget Act of 2004 (Ch. 208, Stats. 2004) as reappropriated by 3860-491, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) as reappropriated by 3860-493, Budget Act of 2009 (Ch. 1, Stats. 2009-10 3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.), for the Drought Panel Recommendations Program
- (2) Item 3860-001-6031, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), for Water Supply Reliability

6051 – Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

- (1) Item 3860-001-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), for Integrated Regional Water Management

3860-492 – Reappropriation, Department of Water Resources. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2014:

6052 – Disaster Preparedness and Flood Prevention Bond Fund of 2006

- (1) Item 3860-301-6052, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)
 - (3) 30.95.316 Merced County Streams Project Bear Creek Unit
 - (4) 30.95.343 Sutter Bypass East Water Control Structures
 - (7) Reimbursements-Merced County Streams Project Bear Creek Unit
- (2) Item 3860-302-6052, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008)
 - (1.2) 30.95.160 West Sacramento Early Implementation Project
 - (2) 30.95.340 Systemwide Levee Evaluations and Repairs
- (3) Item 3860-301-6052, Budget Act of 2010 (Ch. 712, Stats. 2010)
 - (7) 30.95.310 Lower Cache Creek, Yolo County, Woodland Area Project
 - (18) Reimbursements-Lower Cache Creek, Yolo county, Woodland Area Project
- (4) Item 3860-302-6052, Budget Act of 2010 (Ch. 712, Stats. 2010)
 - (2) 30.95.021 Feather River Early Implementation Project

APR 18 2011

3860-493 – Reappropriation, Department of Water Resources. Notwithstanding any other provision of law, the periods to liquidate encumbrances of the appropriations in the following citations are extended to June 30, 2013:

- (1) Item 3860-301-0001, Budget Act of 2006 (Ch.47 and 48, Stats. 2006)
- (3) 30.95.220 Upper Sacramento River Levee Reconstruction Project

3860-495—Reversion, Department of Water Resources. As of June 30, 2011, the amounts provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made:

6031 – Water Security, Clean Drinking Water, Coastal and Beach
Protection Fund of 2002

- (1) Item 3860-001-6031, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007)
.....14,945
- (2) Item 3860-001-6031, Budget Act of 2009 (Ch. 1, Stats. 2009-10
3rd Ex. Sess., as revised by Ch. 1, 2009-10 4th Ex. Sess.)
.....6,762,531



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APR 12 2011

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Addition of Budget Bill Item 3875-001-0140 and Amendment to Budget Bill
Item 3875-001-0001, Support, Sacramento—San Joaquin Delta Conservancy**

Delta Conservancy Operational Support

It is requested that Item 3875-001-0140 be added in the amount of \$165,000 and that Item 3875-001-0001 be amended to reflect this change to provide facility and consulting funds to the Sacramento-San Joaquin Delta Conservancy (Delta Conservancy). This request will provide \$100,000 for technical consultation to complete the required Delta Conservancy strategic plan. In addition, this request will provide \$65,000 to enable the Delta Conservancy to relocate to a location within the legal Delta, as required under existing law.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

APR 12 2011

-2-

cc: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
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Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Cindy Messer, Assistant Executive Officer, Sacramento-San Joaquin Delta Conservancy
Ms. Livia Page, Administration Chief, Delta Stewardship Council

New Item:

3875-001-0140—For support of the Sacramento-San Joaquin
Delta Conservancy, for payment to Item 3875-001-0001,
payable from the California Environmental License
Plate fund.....165,000

Amended Item:

3875-001-0001—For support of Sacramento-San Joaquin
Delta Conservancy.....798,000
Schedule:
(1) 10-Sacramento-San Joaquin Delta
Conservancy.....1,298,000-1,463,000
(2) Reimbursements.....-500,000
(3) Amount payable from the California
Environmental License Plate
Fund (Item 3875-001-0140).....-165,000